



January 17, 2018

Hon. Thomas Saviello, Co-chair
Hon. Thomas Saviello, Co-chair
Hon. Ralph Tucker, Co-chair
Maine Joint Committee on Environment and Natural Resources
100 State House Station
Augusta, ME 04333

Dear Senator Saviello and Representative Tucker:

I am writing on behalf of the Distilled Spirits Council, a national trade association representing producers and marketers of distilled spirits sold in the United States, to express our support for LD 1703 entitled "An Act To Create Equity for Wine and Spirits Container Deposits."

As you know, this proposal seeks to implement a uniform refund value of five-cents per unit for all wine and spirits containers. Across the U.S. only ten states have bottle deposit systems and only six of them include spirits containers. Of those six, only Vermont has a bifurcated deposit system. The other states have a uniform deposit requirement for all beverage containers included in their respective deposit system.

There appears to be no rhyme or reason for having this dual deposit system. As the accompanying images indicate it does not appear to be based on container size, liquid, the container material, servings or in the case of the tetra pack wine, all of the above. A 12-ounce glass bottle is a 12-ounce glass bottle, a 2 serving can of beer vs. a single serving of wine both in aluminum cans or compared to a 200ml (6.76 oz.) spirits bottle, three sizes of vodka in plastic bottles with different deposits, etc., etc. As a strictly environmental question, glass is glass, plastic is plastic and size doesn't matter. When it gets back to the redemption center the liquid is gone and we're simply discussing the eventual disposition of the container. Once it's empty, it's empty and there is no reason to believe there is any more willingness to throw away a one-liter soda bottle than there is a one-liter spirits bottle.

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Distilled spirits containers make up a very small portion of the container waste stream in Maine, in the low single digit percentage, and the vast majority – over 90 percent - are being redeemed.

This change would have minimal costs to the state, would provide for a uniform redemption value for all beverage containers, eliminate any confusion about what amount should be charged at retail, leave more money in the pocket of Maine consumers and allow the state to better compete with neighboring New Hampshire, which has neither a bottle deposit or sales tax on spirits containers.

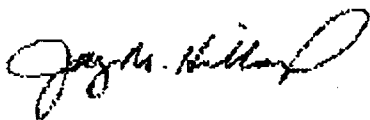
It has apparently been suggested that this change might affect entities that collect empty beverage containers, however, there is no way to ascertain what amount of these containers that may be included in donated collections or what that value would be compared to the overall amount donated. It is also possible that it may have the opposite effect – with a lower value an individual may be more willing to donate spirits bottles than return them personally. This is an anecdotal suggestion.

LD 1703 makes no changes to the existing bottle redemption program. It does not in any way affect the redemption businesses or the rate at which they are reimbursed for redeeming beverage containers. It merely provides for equal marketplace treatment for spirits and wine containers as compared to all other beverage containers.

In closing, I would urge the Committee's support for LD 1703 and make Maine a better retail marketplace in which to conduct business.

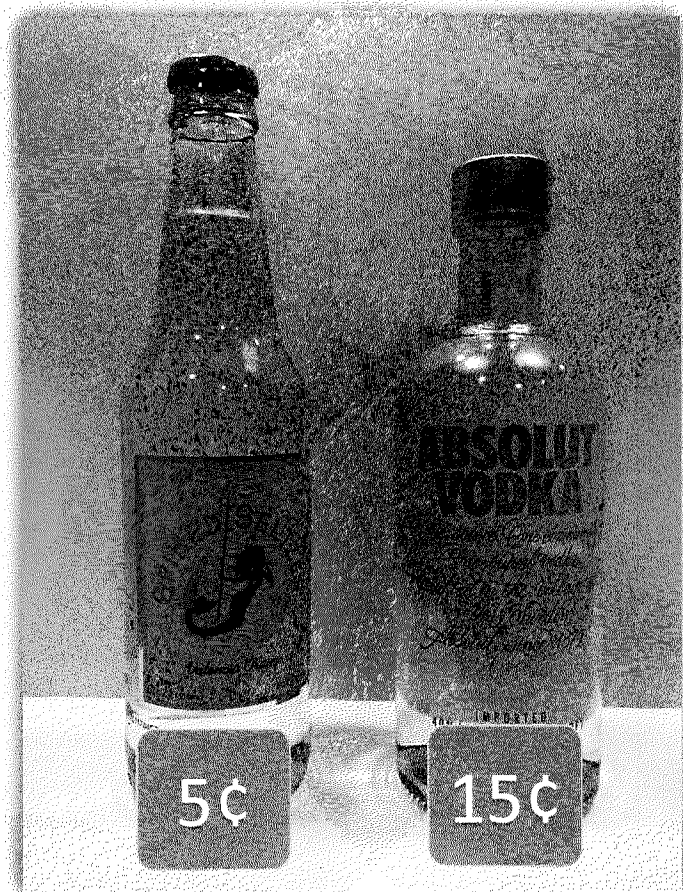
Thank you for your consideration of our views in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay M. Hibbard". The signature is fluid and cursive, with a large loop at the end.

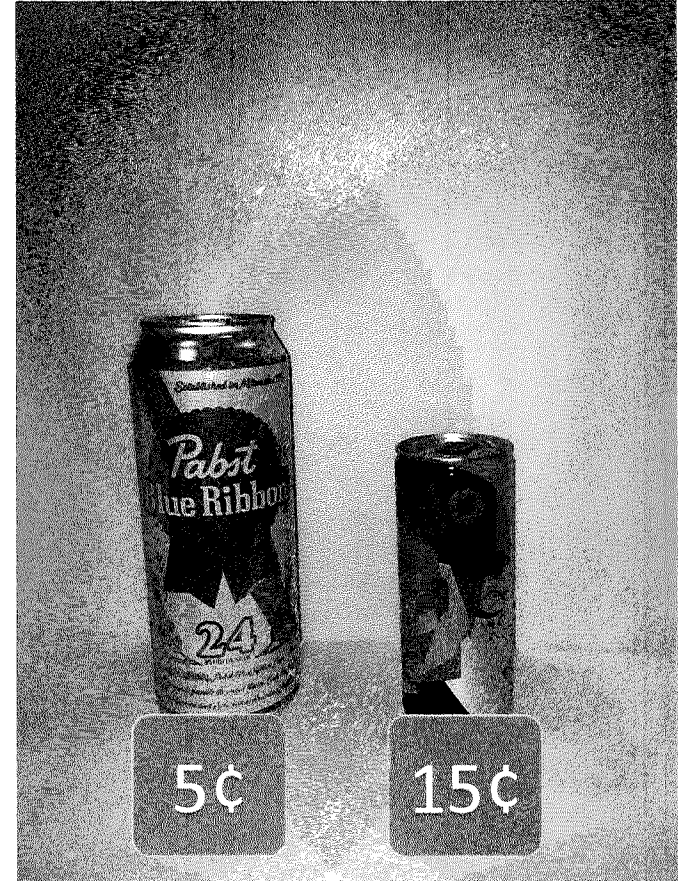
Jay M. Hibbard
Vice President – Government Relations

cc: Members of the Committee



LEFT: Spiked Seltzer, 12 oz (.354 ml), glass bottle, \$0.05 deposit

RIGHT: Absolute Vodka, 375ml (12.68 oz), glass bottle, \$0.15 deposit



LEFT: Pabst Blue Ribbon beer, 24 oz, aluminum can, \$0.05 deposit

RIGHT: Lila Rose wine, 250 ml (8.45 oz), aluminum can, \$0.15 deposit



**LEFT: Woodford Reserve bourbon, 750 ml,
glass bottle, \$0.15 deposit**

**RIGHT: Woodford Reserve bourbon, 50 ml,
plastic bottle, \$0.05 deposit**



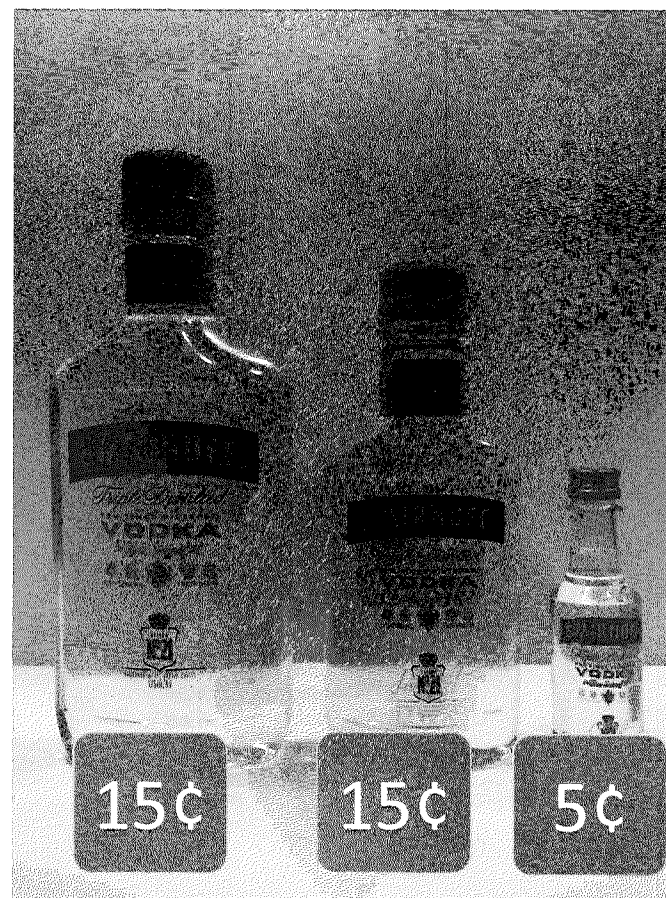
**LEFT: Refreshed Raspberry Seltzer, 1 liter, plastic
bottle, \$0.05 deposit**

**RIGHT: Pinnacle Raspberry vodka, 1.75 liter,
plastic bottle, \$0.15 deposit**



LEFT: House Red wine, 12 oz, aluminum can, \$0.15 deposit

RIGHT: Black Box Pino Noir wine, tetra pack, No deposit



LEFT: Smirnoff vodka, 375 ml, plastic bottle, \$0.15 deposit

CENTER: Smirnoff vodka, 200 ml, plastic bottle, \$0.15 deposit

RIGHT: Smirnoff vodka, 50 ml, plastic bottle, \$0.05 deposit (2018)